

VIRGINIA:

090003811

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER – VACATE ORDER  
VGOB 01-1218-0993

ELECTIONS: UNIT K-20  
(herein “Subject Drilling Unit”)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on March 18, 2002 which was recorded at Deed Book 544, Page 276 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on April 5, 2002, (herein “Board Order”) and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein “Designated Operator”) to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board’s Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board’s Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit K-20;

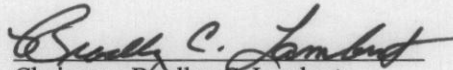
Order: By this Order, the Board orders that its prior pooling order entered herein be vacated for the reason that all owners and claimants to CBM in the Unit have agreed with the Applicant to develop same and that any and all funds escrowed with the Board’s escrow agent be disbursed to the Board’s Designated Operator to pay or suspend as the terms of the agreements by and between the Applicant and the owners and claimants may require and allow.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

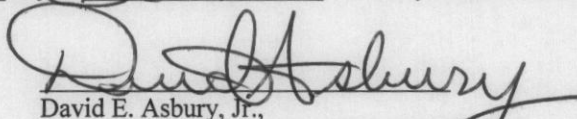
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 4 day of Dec, 2009, by a majority of the Virginia Gas and Oil Board.

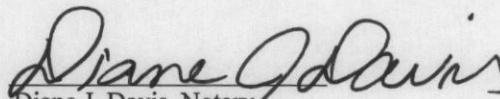
  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 4 day of December, 2009, by Order of the Board.

  
David E. Asbury, Jr.,  
Principal Executive to the Staff of the Board

STATE OF VIRGINIA  
COUNTY OF ~~WASHINGTON~~

Acknowledged on this Russell 4th day of December, 2009, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

  
Diane J. Davis, Notary  
174394

My commission expires: September 30, ~~2009~~ <sup>2013</sup>





VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM K-20  
VGOB 01-1218-0993 in the South Grundy Magisterial District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING ELECTIONS,  
ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on March 18, 2002, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on April 5, 2002;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

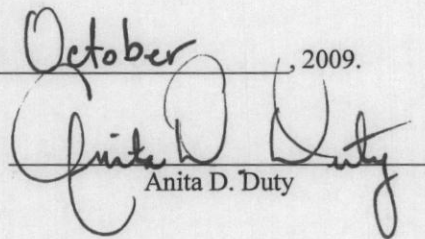
That all of the Respondents identified in Exhibit B-3 hereto have entered into voluntary agreements whereby they have leased and/or otherwise agreed with Applicant to a plan to develop their interests and claims within the unit to CBM. Hence, said unit may be voluntarily pooled.

See attached Exhibit B-2 and B-3 (Unit is 100% under Lease and/or Agreement).

That in light of the Agreement(s) described above, it is no longer necessary for the Board to maintain an escrow account/sub accounts pertaining to the above referenced CBM Unit, if applicable.

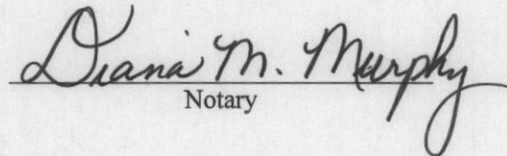
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 23<sup>rd</sup> day of October, 2009.

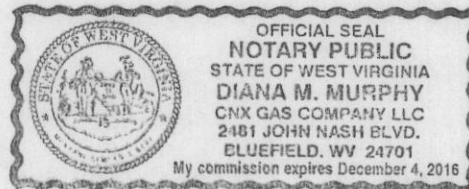
  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 23<sup>rd</sup> day of October, 2009.

  
Notary

My commission expires: December 4, 2016





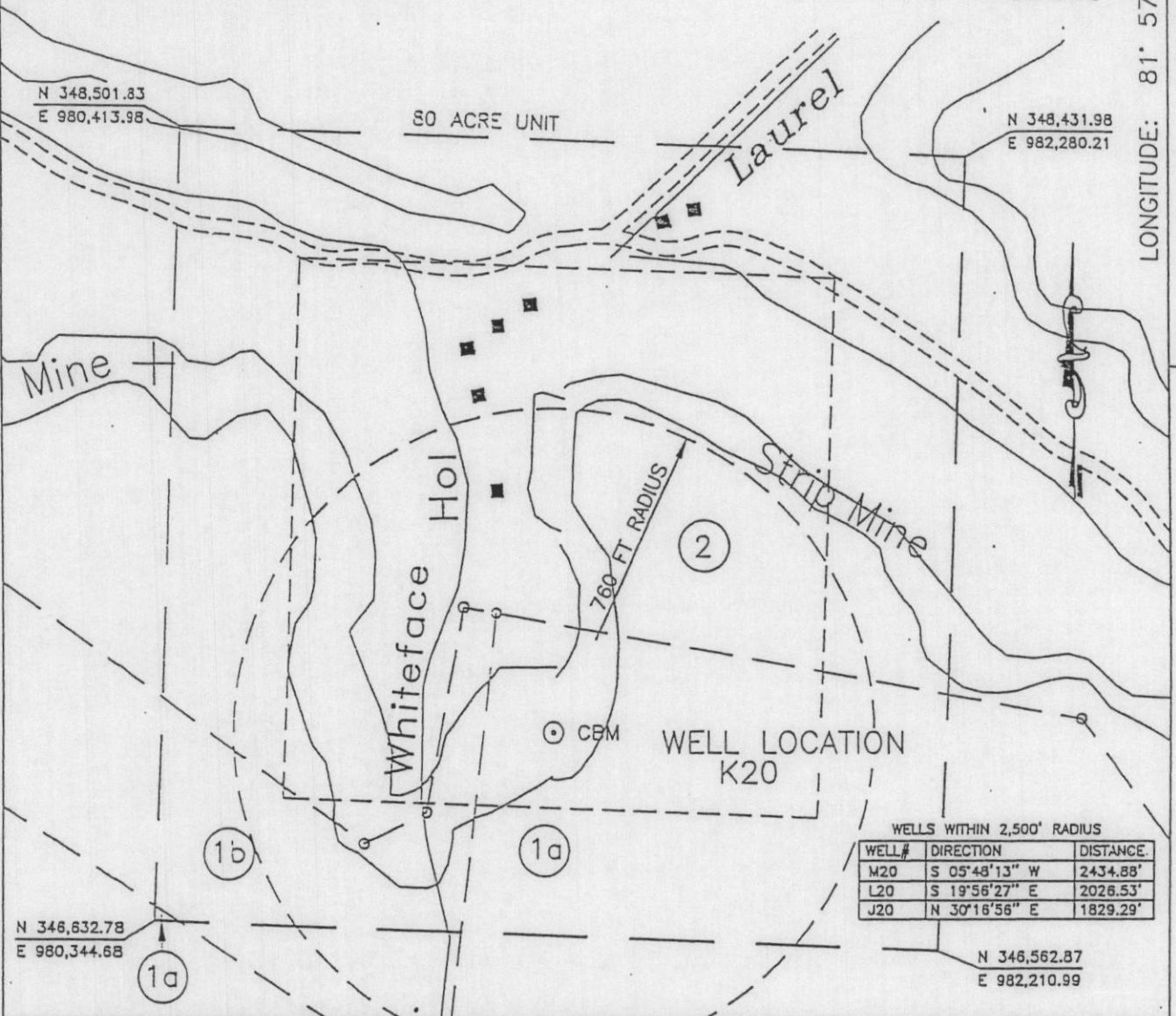
PROPERTY LINES SHOWN WERE TAKEN FROM MAPS AND DEEDS PROVIDED BY CONSOL ENERGY, Inc. AND DO NOT REPRESENT A CURRENT FIELD SURVEY.

BEARING BASIS:  
VIRGINIA STATE PLANE - SOUTH ZONE - NAD'27

LATITUDE: 37° 15' 00"

MINERAL  
SURFACE

LONGITUDE: 81° 57' 30"



THE ACTUAL WELL LOCATION WILL BE WITHIN 10 FEET OF THE PROPOSED LOCATION ACCORDING TO 4 VAC 25-150-290 AND 45.1-361.30

## WELL LOCATION PLAT

COMPANY CONSOL ENERGY, INC WELL NAME OR NUMBER CBM-K20  
TRACT NUMBER YUKON POCAHCNTAS - TR 024 QUADRANGLE KEEN MOUNTAIN  
DISTRICT: SOUTH GRUNDY

WELL COORDINATES (VIRGINIA STATE PLANE): STATE PLANE N 347,074.26 E 981,296.96

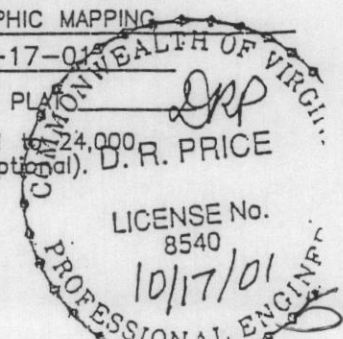
ELEVATION: 1,880.0' METHOD USED TO DETERMINE ELEVATION: USGS TOPOGRAPHIC MAPPING

COUNTY BUCHANAN Scale: 1" = 400' Date 10-17-01

THIS PLAT IS A NEW PLAT X; AN UPDATED PLAT       ; OR A FINAL LOCATION PLAT       

+ Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000 latitude and longitude lines being represented by border lines as shown (optional).

Licensed Professional Engineer or Licensed Land Surveyor (Affix Seal)



CONSOL ENERGY, INC.

UNIT K-20

Tract identifications

- 1a. Yukon Pocahontas Coal Co./ Buchanan Coal Co./ Sayers Pocahontas Coal Co./ North American Timber Corp.-  
Surface, Coal, Oil and Gas  
Coal Lessees  
Island Creek Coal Co. - Coal below the Tiller Seam  
Buchanan Production Co.- CBM Lessee  
17.23 Acres 21.5375%
- 1b. Yukon Pocahontas Coal Co./ Buchanan Coal Co./ Sayers Pocahontas Coal Co.-(2/3)  
North American Timber Corp. - Coal, Oil and Gas (1/3)  
Coal Lessees  
Island Creek Coal Co. - Coal below the Tiller Seam  
North American Timber Corp. - CBM (1/3)  
Buchanan Production Co. - CBM Lessee (2/3)  
6.57 Acres 8.2125%
2. Yukon Pocahontas Coal Co./ Buchanan Coal Co./ Sayers Pocahontas Coal Co.- Coal, Oil, and Gas (2/3)  
North American Timber Corp.-Coal, Oil, and Gas- (1/3)  
Coal Lessees  
Island Creek Coal Co. - Coal below the Tiller Seam  
North American Timber Corp. - CBM (1/3)  
Buchanan Production Co.- CBM Lessee (2/3)  
56.20 Acres 70.2500%



Exhibit B-2  
Unit K-20  
Docket # VGOB 01-1218-0993  
List of Respondents to be Dismissed

		Acres in Unit	Percent of Unit	Reason for Dismissal
<b>I. COAL FEE OWNERSHIP</b>				
<u>Tract #2, 62.18 Acres</u>				
(4)	Plum Creek Timberlands, L.P. * Plum Creek (prev. North American Timber Corp.) Natural Resources Department 100 Peachtree Street NW, Suite 2650 Atlanta, GA 30303	20.73 acres 1/3 of 62.18 acres	25.90833%	Leased
<b>II. OIL &amp; GAS FEE OWNERSHIP</b>				
<u>Tract #2, 62.18 Acres</u>				
(4)	Plum Creek Timberlands, L.P. * Plum Creek (prev. North American Timber Corp.) Natural Resources Department 100 Peachtree Street NW, Suite 2650 Atlanta, GA 30303	20.73 acres 1/3 of 62.18 acres	25.90833%	Leased

\* The CBM interest is leased by GeoMet, Inc. and Highland Resources, Inc.

**NOTE:** This information above reflects the information included in the Supplemental order as of the date it was filed  
The follow is the current ownership:

- (1) Highland Resources, Inc/ North American Resources, Corp. \*  
100 Peachtree Street NW, Suite 2650  
Atlanta, GA 30303

\* *Note: Plum Creek retained the CBM estate. Although the lease that covers the tract was signed by  
Yukon / Buchanan / Sayers / Georgia Pacific, Plum Creek Timberlands will be paid 100% of the royalty.*

Royalties Paid to:

Plum Creek Timberlands, L.P.  
Attn: Mineral Department  
One Concourse Parkway, Suite 755  
Atlanta, GA 30328

Exhibit B-3  
Unit K-20  
Docket # VGOB 01-1218-0993  
List of Unleased Owners/Claimants

Acres in Unit	Percent of Unit
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*This unit is 100% Leased and/or has an Agreement in place.*

INSTRUMENT #090003811  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
DECEMBER 14, 2009 AT 10:14AM

BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB

\$18.00

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